



THE EFFECT OF WORD-OF-MOUTH COMMUNICATIONS ON CONSUMER FAIRNESS PERCEPTIONS

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Abstract

Purpose This research investigates the influence of reading another consumer's negative and emotion-laden review of a similar purchase experience on consumer fairness perceptions.

Methodology A total of 361 participants participated in two between-subjects experiments and two pilot studies involving a common scenario of a shopping experience at a retailer with price fluctuations. The focus was on the effects of observing emotional reviews about a common experience of an unfair treatment on fairness perceptions regarding the retailer.

Findings Consumer perceptions of fairness regarding the retailer in the scenario worsened after observing another consumer's negative and emotional review about a common experience (Study 1). This effect remained when the reviewer was assumed to be similar to the observing consumer, but disappeared when there was evidence to perceive the reviewer to be dissimilar (Study 2).

Research limitations/implications This research contributes to the literature documenting the powerful influence of social interactions by suggesting perceived similarity as a potential moderator. Future research directions in word of mouth, emotional contagion, and consumer fairness perceptions are discussed.

Practical implications Companies may benefit by participating in interactive communications among their customers in a typical online environment when the word-of-mouth communication source is unknown to the reader. Marketers can provide detailed contextual information about individual consumption experiences, in order to influence the perceptions of similarity between the commenters and observers.

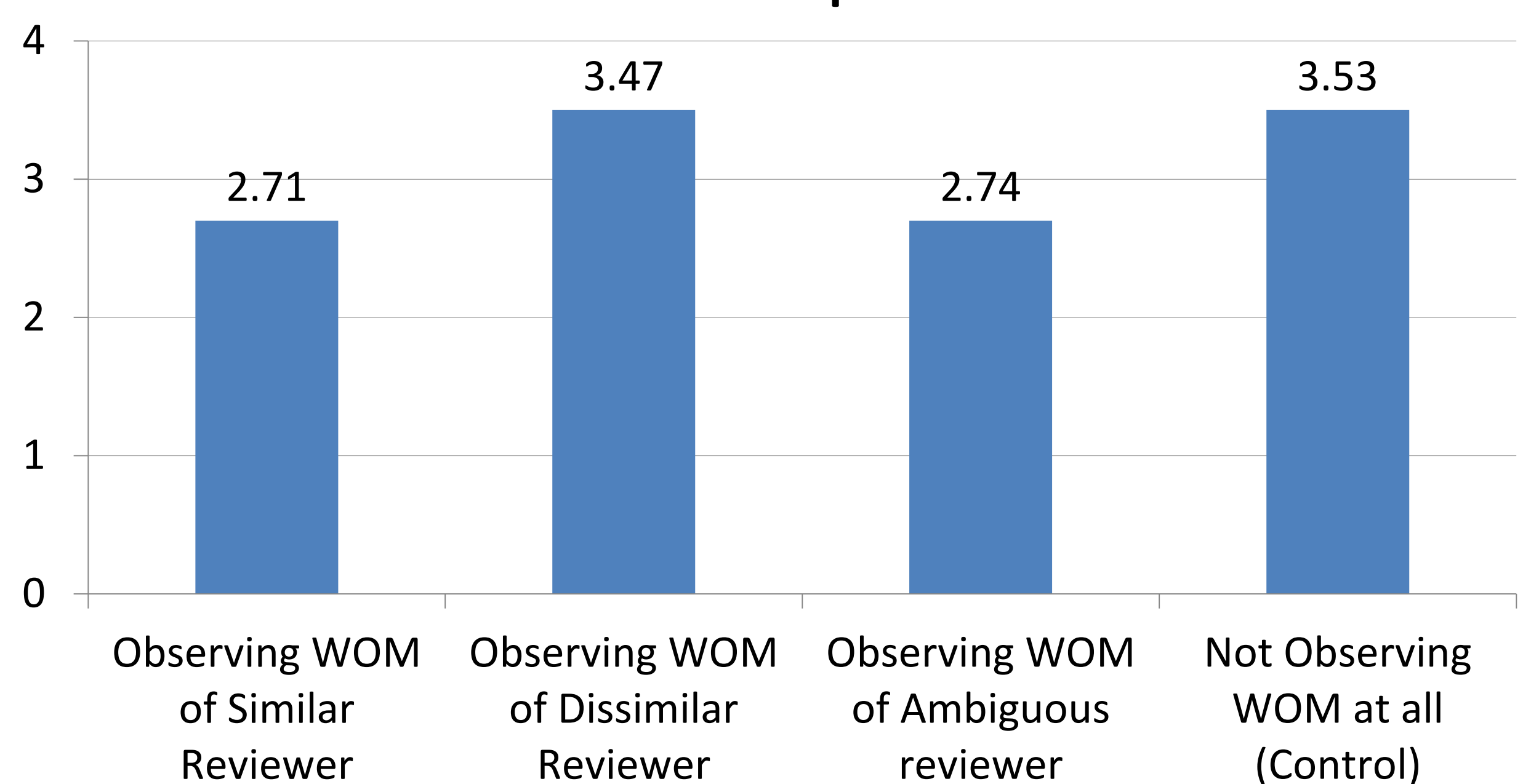
Originality/value This research suggests a practical means to mollify the negative influence of observing another customer's reviews of a similar experience on consumer fairness perceptions.

Background

It is now a part of daily lives to share personal thoughts, opinions, and feelings with a global community of readers (Dellarocas, 2003; Hennig-Thurau et al., 2004) on social media and interactive fora. In an average week, each American has 120 experiences that represent this type of "word-of-mouth" communication (Keller, 2007; Thompson, 2003). The number has undoubtedly grown since the initial observation: nearly four in five active Internet users visit social networks and blogs; and 70% of active online social networkers shop online and view product reviews written by customers (Nielsen, 2011).

Select Findings

Fig. 1 - The Effect of Observing WOM on Consumer Fairness Perceptions



Conclusions

First, it is apparent that reading negative and emotional electronic word-of-mouth communications about a similarly unfair experience decreases fairness perceptions of the observing consumers, even without any information about the review writers. Consumer fairness perceptions of the consumers are definitely worse after observing similar experiences of other consumers.

Secondly, this effect persists when there is information about the review writer that confirms perceived similarity between the observing consumer and the review writer. It is interesting to note that the negative effect of observation on fairness perceptions exists only when the consumer perceive similarity with the reviewer who provided the electronic word-of-mouth communication about the similarly unfair experience.

Third, only with the evidence that the reviewer may be dissimilar from the observing consumer, consumer fairness perceptions do not suffer from the adverse influence of observing the negative and emotional word-of-mouth communications. The offsetting effect was demonstrated with descriptions of the reviewer's personal characteristics.